

Tariff Law of the PRC

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Contents

Table of Contents	1
Chapter I — General Provisions	1
Chapter II — Tariff Lines and Tariff Rates	2
Chapter III — Duty Payable	5
Chapter IV — Tariff Preferences and Collection of Tariffs in Special Circumstances	7
Chapter V — Administration of Collection	9
Chapter VI — Legal Liability	13
Chapter VII — Supplementary Provisions	14

Adopted at the Ninth Session of the Standing Committee of the Fourteenth National People's Congress on April 26, 2024
Effective: December 1, 2024

Table of Contents

- Chapter I — General Provisions
- Chapter II — Tariff Lines and Tariff Rates
- Chapter III — Duty Payable
- Chapter IV — Tariff Preferences and Collection of Tariffs in Special Circumstances
- Chapter V — Administration of Collection
- Chapter VI — Legal Liability
- Chapter VII — Supplementary Provisions

Chapter I — General Provisions

Article 1 — This Law is enacted in accordance with the Constitution for the purpose of regulating the levy and payment of customs duties, maintaining the order of import and export, promoting foreign trade, advancing high-standard opening up, promoting high-quality development, safeguarding national sovereignty and interests, and protecting the lawful rights and interests of taxpayers.

Article 2 — Customs duties shall be levied by the customs authorities, in accordance with this Law and the relevant laws and administrative regulations, on goods permitted to be imported into or exported from the People's Republic of China and on articles brought into the territory.

Article 3 — The consignee of imported goods, the consignor of exported goods, and the carrier or consignee of articles brought into the territory shall be the taxpayers of customs duties.

E-commerce platform operators, logistics enterprises and customs declaration enterprises engaged in cross-border e-commerce retail imports, as well as entities and individuals obligated under laws and administrative regulations to withhold and remit customs duties, shall be the withholding agents of customs duties.

Article 4 — The tariff lines and tariff rates of customs duties on imported and exported goods, as well as the rules for the application of tariff lines and tariff rates, shall be implemented in accordance with the Import and Export Tariff of the People's Republic of China (hereinafter referred to as the "Tariff") attached to this Law.

Article 5 — Articles brought into the territory for personal and reasonable use shall be subject to customs duty under the simplified levy measures. Articles brought into the territory exceeding the quantity for personal and reasonable use shall be subject to customs duty as imported goods.

Articles brought into the territory for personal and reasonable use shall be exempt from customs duty within the prescribed amount.

The simplified measures for levying customs duty on articles brought into the territory and the amount exempt from customs duty shall be prescribed by the State Council and filed with the Standing Committee of the National People's Congress.

Article 6 — Customs duty work shall uphold the leadership of the Communist Party of China, implement the guidelines, policies, decisions and arrangements of the Party and the state, and serve national economic and social development.

Article 7 — The State Council shall establish the Tariff Commission, which shall perform the following duties:

- (1) reviewing major plans for customs duty work, formulating tariff reform and development plans, and organizing their implementation;
- (2) reviewing major tariff policies and plans for foreign tariff negotiations;
- (3) putting forward proposals for the adjustment of the Tariff;
- (4) compiling and publishing the Tariff on a regular basis;
- (5) interpreting the tariff lines and tariff rates in the Tariff;
- (6) deciding on the levy of anti-dumping duties, countervailing duties and safeguard duties, and implementing other tariff measures decided by the State Council;
- (7) other duties prescribed by laws, administrative regulations and the State Council.

The composition and working rules of the Tariff Commission of the State Council shall be prescribed by the State Council.

Article 8 — The customs authorities and their staff shall keep confidential, in accordance with law, the trade secrets, personal privacy and personal information of taxpayers and withholding agents learned in the course of performing their duties, and shall not divulge them or illegally provide them to others.

Chapter II — Tariff Lines and Tariff Rates

Article 9 — Tariff lines are composed of tariff code numbers and the provisions of the nomenclature, among other elements.

The rules for the application of tariff lines include classification rules and other rules. The classification of imported and exported goods shall be determined in accordance with the nomenclature provisions and the General Rules for the Interpretation, section notes, chapter notes, subheading notes and additional notes of

the Tariff, as well as other classification notes, and the goods shall be classified under the corresponding tariff code numbers.

Based on actual needs, the Tariff Commission of the State Council may put forward proposals for adjusting tariff lines and their application rules, which shall be implemented after approval by the State Council.

Article 10 — The import tariff rates shall consist of most-favoured-nation (MFN) rates, conventional rates, preferential rates and general rates.

Export tariff rates shall consist of export rates.

Tariff quota rates shall be set for imported and exported goods subject to tariff quota administration.

Provisional rates may be applied to imported and exported goods within a certain period.

Article 11 — The application of tariff rates shall conform to the corresponding rules of origin.

Goods wholly obtained in a single country or region shall be deemed to originate in that country or region; goods produced with the participation of two or more countries or regions shall be deemed to originate in the country or region where the last substantial transformation is completed. Where the State Council has otherwise provided for the determination of origin in accordance with international treaties or agreements concluded by or jointly acceded to by the People's Republic of China, such provisions shall prevail.

The specific determination of the origin of imported goods shall be made in accordance with this Law and the provisions of the State Council and its relevant departments.

Article 12 — Imported goods originating in World Trade Organization members that jointly apply most-favoured-nation clauses, imported goods originating in countries or regions that have concluded with, or jointly acceded with, the People's Republic of China international treaties or agreements containing clauses of mutual most-favoured-nation treatment, and imported goods originating within the territory of the People's Republic of China shall be subject to most-favoured-nation rates.

Imported goods originating in countries or regions that have concluded with, or jointly acceded with, the People's Republic of China international treaties or agreements containing tariff preference clauses and that conform to the relevant provisions of such treaties or agreements shall be subject to conventional rates.

Imported goods originating in countries or regions granted special tariff preference arrangements by the People's Republic of China and conforming to the state provisions on the administration of origin shall be subject to preferential rates.

Imported goods originating in countries or regions other than those specified in paragraphs 1 to 3 of this Article, and imported goods of unknown origin, shall be subject to general rates.

Article 13 — Where provisional rates apply to imported goods subject to most-favoured-nation rates, the provisional rates shall apply.

Where provisional rates apply to imported goods subject to conventional rates, the lower rate shall apply; where the most-favoured-nation rate is lower than the conventional rate and there is no provisional rate, the most-favoured-nation rate shall apply.

Where provisional rates apply to imported goods subject to preferential rates, the lower rate shall apply.

Provisional rates shall not apply to imported goods subject to general rates.

Where provisional rates apply to exported goods subject to export rates, the provisional rates shall apply.

Article 14 — For imported and exported goods subject to tariff quota administration, the tariff quota rate shall apply to goods within the tariff quota, and the provisional rate shall apply where there is one; for goods outside the tariff quota, the rates shall be applied in accordance with Articles 12 and 13 of this Law.

Article 15 — The adjustment of tariff rates shall be implemented in accordance with the following provisions:

(1) Where the most-favoured-nation rates, tariff quota rates and export rates committed by the People's Republic of China in the Protocol on the Accession to the World Trade Organization need to be adjusted, the Tariff Commission of the State Council shall put forward proposals, which shall be submitted to the Standing Committee of the National People's Congress for decision after review by the State Council.

(2) Where, based on actual circumstances, the most-favoured-nation rates, tariff quota rates and export rates are adjusted within the scope committed in the Protocol on the Accession to the World Trade Organization, where the countries or regions, scope of goods and rates applicable to preferential rates are adjusted, or where general rates are adjusted, the State Council shall make the decision and file it with the Standing Committee of the National People's Congress.

(3) The application of most-favoured-nation rates in special circumstances shall be decided by the State Council and filed with the Standing Committee of the National People's Congress.

Conventional rates shall be organized and implemented by the Tariff Commission of the State Council after the procedures for the approval or ratification of the relevant international treaties or agreements are completed.

The scope of goods, rates and duration for the application of provisional rates shall be decided by the Tariff Commission of the State Council.

Technical conversions of tariff rates related to the adjustment of tariff lines shall be put forward by the Tariff Commission of the State Council and implemented after approval by the State Council.

Where tariff rates are adjusted in accordance with the preceding four paragraphs, the adjustment shall be published by the Tariff Commission of the State Council.

Article 16 — Where anti-dumping duties, countervailing duties or safeguard duties are levied on imported goods in accordance with law, the rates shall be applied in accordance with the provisions of the relevant laws and administrative regulations on anti-dumping, countervailing and safeguard measures.

Article 17 — Where any country or region fails to perform the most-favoured-nation treatment clauses or tariff preference clauses in international treaties or agreements concluded by or jointly acceded to by the People's Republic of China, the Tariff Commission of the State Council may put forward proposals to take corresponding measures in accordance with the principle of reciprocity, which shall be implemented after approval by the State Council.

Article 18 — Where any country or region, in violation of international treaties or agreements concluded by or jointly acceded to by the People's Republic of China, takes measures of prohibition, restriction, additional tariffs or other measures affecting normal trade against the People's Republic of China, retaliatory tariffs and other measures may be taken against imported goods originating in that country or region.

The scope of goods, countries or regions subject to retaliatory tariffs, the rates, duration and levy methods shall be put forward by the Tariff Commission of the State Council and implemented after approval by the State Council.

Article 19 — For imported goods involving the measures specified in Articles 16, 17 and 18 of this Law, where the taxpayer fails to provide evidentiary materials, or provides evidentiary materials but the customs authorities still cannot rule out that the goods originate in the country or region subject to the specified measures upon review, the higher of the following two rates shall apply to such goods:

(1) the rate obtained by adding the highest rate imposed on the relevant goods by virtue of the specified measures to the rate applied in accordance with Articles 12, 13 and 14 of this Law;

(2) the general rate.

Article 20 — The tariff rate in effect on the date when the taxpayer or withholding agent completes the declaration shall apply to imported and exported goods and articles brought into the territory.

Where advance declaration is made upon approval by the customs authorities before the arrival of imported goods, the tariff rate in effect on the date when the means of transport carrying the goods declares entry shall apply.

Article 21 — Under any of the following circumstances, the tariff rate in effect on the date when the taxpayer or withholding agent goes through the tax formalities shall apply:

- (1) bonded goods are not re-exported but are transferred for domestic sale;
- (2) goods enjoying duty reduction or exemption are transferred, diverted to other uses, or otherwise disposed of upon approval;
- (3) goods temporarily imported are not re-exported, or goods temporarily exported are not re-imported;
- (4) leased imported goods are purchased for retention or their duty is paid by installments.

Article 22 — The tariff rate applicable to the supplementary levy or refund of customs duty shall be determined in accordance with Article 20 or 21 of this Law.

Where duties need to be recovered because the taxpayer or withholding agent violates relevant provisions, the tariff rate in effect on the date of the violation shall apply; where the date of the violation cannot be determined, the tariff rate in effect on the date when the customs authorities discover the violation shall apply.

Chapter III — Duty Payable

Article 23 — Customs duties shall be levied by ad valorem, specific or compound methods.

Where the ad valorem method applies, the duty payable shall be calculated as the dutiable value multiplied by the ad valorem rate.

Where the specific method applies, the duty payable shall be calculated as the quantity of goods multiplied by the specific rate.

Where the compound method applies, the duty payable shall be calculated as the sum of the dutiable value multiplied by the ad valorem rate and the quantity of goods multiplied by the specific rate.

Article 24 — The dutiable value of imported goods shall be determined on the basis of the transaction value plus the freight and related costs and insurance incurred before the goods are unloaded at the place of entry into the territory of the People's Republic of China.

The transaction value of imported goods means the total amount paid or payable by the buyer to the seller for the importation of the goods when the seller sells the goods into the territory of the People's Republic of China, as adjusted in accordance with Articles 25 and 26 of this Law, including amounts paid directly and amounts paid indirectly.

The transaction value of imported goods shall meet the following conditions:

- (1) there are no restrictions on the disposition or use of the goods by the buyer, except for restrictions prescribed by laws or administrative regulations, restrictions on the geographical area of resale of the goods, and restrictions that have no substantial effect on the price of the goods;
- (2) the transaction value of the goods is not rendered indeterminable by tie-in sales or other factors;
- (3) the seller does not obtain, directly or indirectly, any proceeds from the resale, disposition or use of the goods after importation, or, if such proceeds exist, they can be adjusted in accordance with Articles 25 and 26 of this Law;

(4) the buyer and seller are not related, or, even if related, the relationship does not affect the transaction value.

Article 25 — The following expenses for imported goods shall be included in the dutiable value:

- (1) commissions and brokerage other than buying commissions borne by the buyer;
- (2) the cost of containers treated as being one with the goods and borne by the buyer;
- (3) the cost of packing materials and packing labour borne by the buyer;
- (4) the value of materials, components, tools, dies, moulds, consumables and similar goods related to the production and sale of the goods into the territory of the People's Republic of China that are supplied by the buyer free of charge or at reduced cost and can be apportioned in an appropriate proportion, as well as the cost of development, design and other related services performed outside the territory of the People's Republic of China;
- (5) royalties and licence fees related to the goods that the buyer must pay as a condition of the sale of the goods into the territory of the People's Republic of China;
- (6) proceeds obtained by the seller, directly or indirectly, from the resale, disposition or use of the goods after importation.

Article 26 — The following expenses and taxes, where itemized in the price of the goods at the time of importation, shall not be included in the dutiable value:

- (1) the cost of construction, installation, assembly, maintenance and technical services for the goods after importation, such as factory buildings, machinery and equipment, except for warranty costs;
- (2) freight and related costs and insurance incurred after the imported goods are unloaded at the place of entry into the territory of the People's Republic of China;
- (3) import duties and domestic taxes.

Article 27 — Where the transaction value of imported goods does not meet the conditions set out in paragraph 3 of Article 24 of this Law, or the transaction value cannot be determined, the customs authorities shall, after ascertaining the relevant circumstances and conducting price consultations with the taxpayer, determine the dutiable value of the goods in sequence by the following prices:

- (1) the transaction value of identical goods sold into the territory of the People's Republic of China at or about the same time as the goods;
- (2) the transaction value of similar goods sold into the territory of the People's Republic of China at or about the same time as the goods;
- (3) the unit price at which the imported goods, or identical or similar imported goods, are sold at the first level of sale within the territory of the People's Republic of China to unrelated buyers in the greatest aggregate quantity at or about the same time as the importation of the goods, less the items specified in Article 28 of this Law;
- (4) the price computed as the sum of the following: the cost of materials and processing expenses used in producing the goods, the usual profit and general expenses for selling goods of the same class or kind into the territory of the People's Republic of China, and the freight and related costs and insurance incurred before the goods are unloaded at the place of entry into the territory of the People's Republic of China;
- (5) the price determined by reasonable means.

The taxpayer may provide relevant materials to the customs authorities and apply to adjust the order of application of items (3) and (4) of the preceding paragraph.

Article 28 — When the dutiable value is determined in accordance with item (3) of paragraph 1 of Article 27 of this Law, the following items shall be deducted:

- (1) the usual profit and general expenses, as well as the commissions usually paid, for goods of the same class or kind at the first level of sale within the territory of the People's Republic of China;
- (2) freight and related costs and insurance incurred after the imported goods are unloaded at the place of entry into the territory of the People's Republic of China;
- (3) import duties and domestic taxes.

Article 29 — The dutiable value of exported goods shall be determined on the basis of the transaction value of the goods plus the freight and related costs and insurance incurred before the goods are loaded at the place of exit from the territory of the People's Republic of China.

The transaction value of exported goods means the total amount that the seller should collect directly and indirectly from the buyer for the exportation of the goods at the time of export.

Export duties shall not be included in the dutiable value.

Article 30 — Where the transaction value of exported goods cannot be determined, the customs authorities shall, after ascertaining the relevant circumstances and conducting price consultations with the taxpayer, determine the dutiable value of the goods in sequence by the following prices:

- (1) the transaction value of identical goods exported to the same country or region at or about the same time as the goods;
- (2) the transaction value of similar goods exported to the same country or region at or about the same time as the goods;
- (3) the price computed as the sum of the following: the cost of materials and processing expenses for producing identical or similar goods within the territory of the People's Republic of China, the usual profit and general expenses, and the freight and related costs and insurance incurred within the territory;
- (4) the price determined by reasonable means.

Article 31 — The customs authorities may, upon application or on their own initiative, determine in accordance with law the dutiable value, commodity classification and origin of imported and exported goods and articles brought into the territory.

When necessary, the customs authorities may arrange laboratory tests and inspections, and shall take the test and inspection results confirmed by the customs authorities as the basis for determining the dutiable value, commodity classification and origin.

Chapter IV — Tariff Preferences and Collection of Tariffs in Special Circumstances

Article 32 — The following imported and exported goods and articles brought into the territory shall be exempt from customs duty:

- (1) goods within the exemption amount prescribed by the State Council in a single consignment;
- (2) advertising materials and samples of no commercial value;
- (3) fuel, materials and food supplies necessary for the voyage, carried on means of transport entering or leaving the territory;
- (4) goods and articles brought into the territory that are damaged or lost before customs release;
- (5) materials donated free of charge by foreign governments or international organizations;

(6) goods and articles brought into the territory exempt from customs duty under international treaties or agreements concluded by or jointly acceded to by the People's Republic of China;

(7) other goods and articles brought into the territory exempt from customs duty in accordance with the relevant laws.

Article 33 — The following imported and exported goods and articles brought into the territory shall be subject to reduced customs duty:

(1) goods and articles brought into the territory that are damaged before customs release;

(2) goods and articles brought into the territory subject to reduced customs duty under international treaties or agreements concluded by or jointly acceded to by the People's Republic of China;

(3) other goods and articles brought into the territory subject to reduced customs duty in accordance with the relevant laws.

The duty reduction under item (1) of the preceding paragraph shall be handled in accordance with the extent of damage confirmed by the customs authorities.

Article 34 — For the purposes of safeguarding national interests, promoting foreign exchanges, economic and social development, and scientific and technological innovation, or on account of emergencies or other reasons, the State Council may formulate special tariff preference policies and file them with the Standing Committee of the National People's Congress.

Article 35 — Formalities shall be completed in accordance with law for goods subject to duty reduction or exemption. Goods subject to duty reduction or exemption that need to be used under customs supervision shall be subject to customs supervision. Where such goods are transferred, diverted to other uses or otherwise disposed of within the supervision period and duty needs to be paid in accordance with the relevant state provisions, the customs duty shall be made up.

Articles brought into the territory subject to duty reduction or exemption that need to be used under customs supervision shall be handled with reference to the preceding paragraph.

Article 36 — Bonded goods re-exported shall be exempt from customs duty; bonded goods not re-exported but transferred for domestic sale shall be subject to customs duty in accordance with the relevant provisions. Where bonded materials imported for processing trade, or their finished products, are sold domestically, in addition to the customs duty levied in accordance with the relevant provisions, interest on deferred duty payment shall also be levied.

Article 37 — The following goods and articles temporarily imported or temporarily exported may temporarily be exempt from the payment of customs duty in accordance with law, provided that such goods and articles are re-exported or re-imported within six months from the date of entry or exit; where the period for re-export or re-import needs to be extended, extension formalities shall be completed with the customs authorities in accordance with the provisions of the General Administration of Customs:

(1) goods and articles displayed or used in exhibitions, trade fairs, conferences and similar activities;

(2) performance and competition articles used in cultural and sports exchange activities;

(3) instruments, equipment and articles used for news reporting or the production of films and television programs;

(4) instruments, equipment and articles used for scientific research, teaching and medical and health activities;

(5) means of transport and special vehicles used in the activities listed in items (1) to (4) of this paragraph;

(6) samples;

- (7) instruments and tools used for the installation, commissioning and testing of equipment;
- (8) packing materials for containing goods;
- (9) other goods and articles used for non-commercial purposes.

Where the goods and articles listed in the preceding paragraph are not re-exported or re-imported within the prescribed period, customs duty shall be paid in accordance with law.

Article 38 — For other temporarily imported goods and articles than those specified in Article 37 of this Law, import duty shall be calculated and paid in accordance with the dutiable value of the goods and articles and the ratio of their period of stay within the territory to the depreciation period; where such goods and articles are not re-exported upon expiry of the prescribed period, the customs duty payable in accordance with law shall be made up in full.

For other temporarily exported goods than those specified in Article 37 of this Law, where they are not re-imported upon expiry of the prescribed period, customs duty shall be paid in accordance with law.

Article 39 — Where exported goods are re-imported in their original state within one year from the date of export due to quality or specification reasons or force majeure, no import duty shall be levied. Where imported goods are re-exported in their original state within one year from the date of import due to quality or specification reasons or force majeure, no export duty shall be levied.

In special circumstances, the period specified in the preceding paragraph may be appropriately extended upon approval by the customs authorities, and the specific measures shall be prescribed by the General Administration of Customs.

Article 40 — Where the consignor or consignee of imported or exported goods, the carrier or the insurance company compensates or replaces, free of charge, identical goods due to damage, shortage, poor quality or non-conforming specifications, no customs duty shall be levied at the time of import or export. Where the originally imported goods that are replaced free of charge are not re-exported, or the originally exported goods are not re-imported, the customs authorities shall re-levy customs duty on the original imported or exported goods in accordance with the relevant provisions.

The taxpayer shall declare and complete the import or export formalities for the goods compensated or replaced free of charge within the claim period agreed in the original import or export contract and not later than three years from the date of release of the original import or export.

Chapter V — Administration of Collection

Article 41 — The administration of customs duty collection may adopt the mode of separating the release of goods from the determination of the duty amount.

The administration of customs duty collection shall adapt to the development needs of new forms and new models of foreign trade and raise the level of informatization, intelligence, standardization and facilitation.

Article 42 — Taxpayers and withholding agents of imported and exported goods may, in accordance with the relevant provisions, choose the customs authorities at which to declare and pay duty.

Taxpayers and withholding agents shall truthfully declare the duty amount to the customs authorities within the prescribed period and in accordance with the prescribed requirements, and provide relevant materials. When necessary, the customs authorities may require taxpayers and withholding agents to make supplementary declarations.

Article 43 — Taxpayers and withholding agents of imported and exported goods shall pay the duty within 15 days from the date of completing the declaration; where the conditions prescribed by the customs authorities are met and a guarantee is provided, the duty may be paid in aggregate before the end of the fifth working

day of the following month. Where payment cannot be made on time due to force majeure or adjustment of state tax policies, payment may be deferred, upon application to the customs authorities and provision of a guarantee, but the deferral shall not exceed six months.

Where taxpayers or withholding agents fail to pay the duty within the tax payment period specified in the preceding paragraph, a late payment surcharge of 0.05% of the overdue duty shall be levied for each day from the date of expiry of the prescribed period.

Where the duty has not yet been paid and the taxpayer or withholding agent applies, in accordance with the provisions of the relevant laws and administrative regulations, for release of the goods upon providing a guarantee, the customs authorities shall handle the guarantee formalities in accordance with law.

Article 44 — Where a taxpayer of imported or exported goods shows clear signs of transferring or concealing the dutiable goods and other property within the prescribed tax payment period, or where there are other risks that may make it impossible to pay the duty, the customs authorities may order the taxpayer to provide a guarantee; where the taxpayer fails to provide a guarantee, the customs authorities may, upon approval by the director of the directly subordinate customs office or the director of the subordinate customs office authorized thereby, take the following compulsory measures:

- (1) notify banking financial institutions in writing to freeze the taxpayer's deposits and remittances in an amount equivalent to the duty payable;
- (2) seal up or seize the taxpayer's goods or other property in a value equivalent to the duty payable.

Where the taxpayer pays the duty within the prescribed tax payment period, the customs authorities shall immediately lift the compulsory measures.

Article 45 — Within three years from the date when the taxpayer or withholding agent pays the duty or the goods are released, the customs authorities shall have the right to confirm the duty payable by the taxpayer or withholding agent.

Where the duty payable confirmed by the customs authorities is inconsistent with the duty amount declared by the taxpayer or withholding agent, the customs authorities shall issue a duty confirmation notice to the taxpayer or withholding agent. The taxpayer or withholding agent shall, in accordance with the duty payable specified in the duty confirmation notice, make up the duty or complete the refund formalities within the period prescribed by the customs authorities.

Where the duty needs to be made up after confirmation by the customs authorities but is not made up within the prescribed period, a late payment surcharge of 0.05% of the overdue duty shall be levied for each day from the date of expiry of the prescribed period.

Article 46 — Where duties are under-collected or omitted because the taxpayer or withholding agent violates the relevant provisions, the customs authorities may recover the duty within three years from the date when the duty was paid or the goods were released, and shall levy a late payment surcharge of 0.05% of the under-collected or omitted duty for each day from the date when the duty was paid or the goods were released.

Article 47 — For smuggling, the recovery of duty and late payment surcharge by the customs authorities shall not be subject to the time limit specified in the preceding Article, and the customs authorities shall have the right to determine the duty payable.

Article 48 — Where the customs authorities discover that duties on goods under customs supervision are under-collected or omitted because the taxpayer or withholding agent violates the relevant provisions, they shall recover the duty within three years from the date when the taxpayer or withholding agent should have paid the duty, and shall levy a late payment surcharge of 0.05% of the under-collected or omitted duty for each day from the date when the duty should have been paid.

Article 49 — The customs authorities may publicize the circumstances of taxpayers and withholding agents in arrears of duty.

Where a taxpayer has not paid the duty and late payment surcharge in full and has not provided a guarantee to the customs authorities, the customs authorities may, upon approval by the director of the directly subordinate customs office or the director of the subordinate customs office authorized thereby, notify the immigration administration authority in accordance with the relevant provisions to take measures restricting the taxpayer or its legal representative from leaving the territory.

Article 50 — Where a taxpayer or withholding agent fails to pay or remit the duty within the prescribed period, the customs authorities shall order it to pay within a prescribed time limit; where it still fails to pay upon expiry and has no legitimate reason, the customs authorities may, upon approval by the director of the directly subordinate customs office or the director of the subordinate customs office authorized thereby, take the following compulsory enforcement measures:

(1) notify banking financial institutions in writing to transfer the taxpayer's or withholding agent's deposits and remittances in an amount equivalent to the duty payable;

(2) seal up or seize the taxpayer's or withholding agent's goods or other property in a value equivalent to the duty payable, auction or sell the sealed or seized goods or other property in accordance with law, and use the auction or sale proceeds to offset the duty, with the remainder returned to the taxpayer or withholding agent.

When the customs authorities take compulsory enforcement, the unpaid late payment surcharge shall be enforced at the same time.

Article 51 — Where the customs authorities discover that duties have been over-collected, they shall promptly notify the taxpayer to complete the refund formalities.

Where a taxpayer discovers that it has overpaid duty, it may, within three years from the date of payment, apply to the customs authorities in writing for a refund of the overpaid duty. The customs authorities shall, within 30 days from the date of accepting the application, verify the matter and notify the taxpayer to complete the refund formalities, and the taxpayer shall complete the refund formalities within three months from the date of receiving the notice.

Article 52 — Under any of the following circumstances, the taxpayer may, within one year from the date of payment, apply to the customs authorities for a refund of customs duty:

(1) goods on which import duty has been levied are re-exported in their original state within one year due to quality or specification reasons or force majeure;

(2) goods on which export duty has been levied are re-imported in their original state within one year due to quality or specification reasons or force majeure, and the relevant domestic taxes refunded upon export have been repaid;

(3) goods on which export duty has been levied are not shipped for export due to some reason and withdrawal of the declaration is applied for.

An application for a refund of customs duty shall be made in writing, with the original duty payment certificate and relevant materials provided. The customs authorities shall, within 30 days from the date of accepting the application, verify the matter and notify the taxpayer to complete the refund formalities. The taxpayer shall complete the refund formalities within three months from the date of receiving the notice.

Where customs duty should be refunded in accordance with other relevant laws and administrative regulations, the customs authorities shall refund it in accordance with law.

Article 53 — Where customs duty is refunded in accordance with the relevant provisions, interest at the demand deposit rate of banks for the corresponding period shall be added.

Article 54 — For acts that circumvent the provisions of Chapters II and III of this Law and reduce the duty payable without a reasonable commercial purpose, the state may take anti-circumvention measures such as adjusting the duty.

Article 55 — Where a customs declaration enterprise accepts the entrustment of a taxpayer and handles the customs declaration and duty payment formalities in the name of the taxpayer, and the under-collection or omission of duty is caused by the declaration enterprise's violation of the relevant provisions, the declaration enterprise shall bear joint and several liability with the taxpayer for the under-collected or omitted duty and the late payment surcharge thereon.

Where a customs declaration enterprise accepts the entrustment of a taxpayer and handles the customs declaration and duty payment formalities in the name of the declaration enterprise, the declaration enterprise and the taxpayer shall bear joint and several liability for the duty.

Article 56 — Except for force majeure, where goods under customs supervision are damaged or lost during the period of custody, the entity or individual obliged to keep the goods under customs supervision shall bear the corresponding tax liability.

Article 57 — Where a taxpayer that has not performed its tax obligations undergoes a merger or division, it shall, before the merger or division, report to the customs authorities and pay the duty and late payment surcharge in full or provide a guarantee in accordance with law. Where the taxpayer has not paid the duty and late payment surcharge in full or provided a guarantee upon merger, the merged legal person or unincorporated organization shall continue to perform the unperformed tax obligations; where the taxpayer has not paid the duty and late payment surcharge in full or provided a guarantee upon division, the legal persons or unincorporated organizations after division shall bear joint and several liability for the unperformed tax obligations.

Where a taxpayer undergoes a merger, division or other asset reorganization during the supervision period of goods subject to duty reduction or exemption or bonded goods, it shall report to the customs authorities; where duty needs to be paid in accordance with the relevant provisions, it shall pay the duty and late payment surcharge in full or provide a guarantee in accordance with law; where it may continue to enjoy the duty reduction or exemption or bonded treatment in accordance with the relevant provisions, it shall complete the formalities for changing the taxpayer with the customs authorities.

Where a taxpayer that has not performed its tax obligations, or that is within the supervision period of goods subject to duty reduction or exemption or bonded goods, undergoes dissolution, bankruptcy or other circumstances of termination of operations in accordance with law, it shall report to the customs authorities before liquidation. The customs authorities shall collect the duty and late payment surcharge in accordance with law.

Article 58 — Duty collected by the customs authorities shall take priority over unsecured claims, except as otherwise provided by law. Where a taxpayer falls into arrears of duty before creating a mortgage or pledge over its property, the duty shall be satisfied before the mortgage or pledge.

Where a taxpayer falls into arrears of duty and is concurrently subject to a fine or confiscation of illegal gains imposed by an administrative organ, and its property is insufficient to satisfy all, the duty shall be paid first.

Article 59 — Duty and late payment surcharge shall be paid into the state treasury in a timely manner in accordance with the relevant state provisions.

Where the refund of duty or interest involves withdrawal from the state treasury, it shall be handled in accordance with the provisions of laws and administrative regulations on treasury administration.

Article 60 — Duty, late payment surcharge and interest shall be calculated in RMB.

Where the prices of imported and exported goods and articles brought into the territory and the relevant expenses are calculated in currencies other than RMB, they shall be converted into RMB at the exchange rate for duty assessment on the date when the taxpayer completes the declaration.

The exchange rate for duty assessment mentioned in the preceding paragraph means the central parity rate of RMB on the date determined in accordance with the provisions of the General Administration of Customs.

Article 61 — For the needs of customs duty collection, the customs authorities may, in accordance with law, inquire of the relevant government departments and institutions about information concerning taxpayers' identity, accounts, fund flows and other matters involving customs duty, and the relevant government departments and institutions shall provide assistance and cooperation within the scope of their duties. Information involving customs duty obtained by the customs authorities may be used only for the purpose of customs duty collection.

Chapter VI — Legal Liability

Article 62 — Under any of the following circumstances, the customs authorities shall issue a warning; where the circumstances are serious, a fine of not more than 30,000 yuan shall be imposed:

- (1) a taxpayer that has not performed its tax obligations undergoes a merger or division and fails to report to the customs authorities before the merger or division;
- (2) a taxpayer undergoes a merger, division or other asset reorganization during the supervision period of goods subject to duty reduction or exemption or bonded goods and fails to report to the customs authorities;
- (3) a taxpayer that has not performed its tax obligations, or that is within the supervision period of goods subject to duty reduction or exemption or bonded goods, undergoes dissolution, bankruptcy or other circumstances of termination of operations in accordance with law and fails to report to the customs authorities before liquidation.

Article 63 — Where a taxpayer in arrears of duty payable transfers or conceals property or uses other means to obstruct the customs authorities from recovering the duty in arrears in accordance with law, in addition to the recovery of the duty in arrears and late payment surcharge by the customs authorities, a fine of not less than 50% and not more than five times the duty in arrears shall be imposed.

Article 64 — Where a withholding agent fails to withhold or collect the duty that should have been withheld or collected, the customs authorities shall recover the duty from the taxpayer and impose on the withholding agent a fine of not less than 50% and not more than three times the duty that should have been withheld or collected but was not.

Article 65 — Acts in violation of this Law other than those specified in Articles 62, 63 and 64 of this Law shall be punished by the customs authorities in accordance with the Customs Law of the People's Republic of China and other laws and administrative regulations.

Article 66 — Where a taxpayer, withholding agent or guarantor objects to the customs authorities' determination of the taxpayer, commodity classification, origin of goods, place of duty payment, assessment method, dutiable value, applicable tariff rate or exchange rate, or to the decision on duty reduction or exemption, the confirmation of duty payable, the making up or refund of duty, or the levying of late payment surcharge, it shall first apply to the customs office at the next higher level for administrative reconsideration in accordance with law; where it is dissatisfied with the administrative reconsideration decision, it may institute administrative litigation in a people's court in accordance with law.

Where a party is dissatisfied with an administrative act of the customs authorities other than those specified in the preceding paragraph, it may apply for administrative reconsideration in accordance with law, or

institute administrative litigation in a people's court in accordance with law.

Article 67 — Whoever, in violation of this Law, abuses power, neglects duty, commits malpractice for personal gain, or divulges or illegally provides to others trade secrets, personal privacy or personal information learned in the course of performing duties shall be given a sanction in accordance with law.

Article 68 — Where a violation of this Law constitutes a crime, criminal liability shall be pursued in accordance with law.

Chapter VII — Supplementary Provisions

Article 69 — Where the Law of the People's Republic of China on the Hainan Free Trade Port has otherwise provided for tariff matters of the Hainan Free Trade Port, such provisions shall prevail.

Article 70 — The administration of the collection of taxes withheld and collected by the customs authorities in the importation stage shall be subject to the provisions on the administration of customs duty collection.

The levy of tonnage dues shall be subject to the provisions on the administration of customs duty collection where the Vessel Tonnage Tax Law of the People's Republic of China does not provide otherwise.

Article 71 — Engaging in the retail business of duty-free goods shall be subject to approval, and the specific measures shall be prescribed by the State Council.

Article 72 — This Law shall come into force on December 1, 2024. The Regulations of the People's Republic of China on Import and Export Duties shall be repealed simultaneously.

Disclaimer: This is an unofficial English translation of the Tariff Law of the People's Republic of China, provided for general informational and reference purposes only. It is not an official translation and does not constitute legal advice. The official Chinese text shall prevail in all cases. For matters concerning your specific situation, please consult qualified legal and tax professionals.